

## Department of Planning and Budget 2011 Fiscal Impact Statement

**1. Bill Number:** SB1424

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Locke, M.

**3. Committee:** General Laws and Technology

**4. Title:** Virginia Public Procurement Act; action against contractor's payment.

**5. Summary:** Virginia Public Procurement Act; action against contractor's payment. Provides that a claimant who has a direct contractual relationship with any subcontractor but no contractual relationship with the contractor may bring an action on the contractor's payment bond if the claimant (i) provided written notice to the contractor before performing any labor or furnishing any materials or within 45 days of performing any labor or furnishing any materials that the claimant will take action against the contractor's bond in the event of nonpayment and (ii) provides written notice to the contractor and the surety company of nonpayment no later than 90 days after the last day on which the claimant performed labor or furnished materials for which he claims payment. Currently, such claimant is required to provide written notice to the contractor within 180 days from the last day on which the claimant performed labor or furnished materials for which payment is claimed.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** None.

**8. Fiscal Implications:** None

**9. Specific Agency or Political Subdivisions Affected:** None.

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None

**Date:** 1/25/11

**Document:**

c: Secretary of Administration